Raise in FDI Cap in Domestic Aviation Sector

172. SHRIMATI KAMLA MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have raised the FDI cap from 40 percent to 49 percent by Non-Resident Indians (NRIs) and Persons of Indian Origin (PIOs) in domestic aviation sector;

(b) if so, what is the effective date of the cabinet decision to the above proposal;

(c) whether there is any ambiguity as far as the status of NRIs and PIOs are concerned especially after issue of Citizenship Ordinance, 2005 on June 28,2005; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government has raised FDI in Air Transport Services (Domestic Airlines) from 40% to 49% under automatic approval route. NRIs are permitted upto 100% investment in this sector under automatic route.

(b) The Notification for increase in FDI from 40% to 49% was issued on 10.11.2004.

(c) and (d) Generally PIOs are given the same status in investments as given to NRIs. However, in the Civil Aviation Sector, the issue of PIO Cardholders being accorded a dispensation similar to NRIs in case of FDI is under examination.

Non-Payment of Loans by Companies

†173. SHRIMATI PREMACARIAPPA:
SHRI MOTILALVORA: SHRI
JANARDAN DWIVEDI:

Will the Minister of FINANCE be pleased to state:

(a) the names of those companies which have not repaid loans borrowed from Public Sector Banks;

†Original notice of the question was received in Hindi.

(b) the names of Banks from which the loan was borrowed by each of companies and when such loan was borrowed alongwith the amount of loan borrowed and the details of outstanding amount with interest against each company as on date;

(c) whether any action has been taken so far by the Government for the recovery of loan from the said companies alongwith the outcome thereof; and

(d) if not, the concrete steps Government are going to take or have taken so far to recover loan from above-said companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Credit Information Bureau (India) Limited is maintaining a database on suit-filed accounts of Rs. 1 Crore and above and non suit-filed accounts (wilful defaulters) of Rs. 25 Lacs and above. The information can be accessed at CIBIL website *www.cibil.com.* The information is based on an application developed to enable the users to access data through a parameterised search process across banks and companies at various geographical iocations.

(c) and (d) Government of India and Reserve Bank of India have stipulated certain steps for recovery of loans, which, *inter-alia,* include evolving and implementing a recovery policy by banks, filing of suits in civil courts/DRTs, issue of notices under SARFAESI Act, 2002, compromise settlement and monitoring and follow up of NPAs at various levels. The Credit Information Companies (Regulation) Act 2005 has been enacted to provide for regulation of credit information companies and to facilitate efficient distribution of credit. Credit Information Bureau has also been set up to disseminate information on borrowers to the banks.

Losses Suffered due to VAT

174. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many States have reported loss in their revenue earnings in the first quarter of implementation of VAT;

(b) if so, the details of States which have incurred losses in the first quarter of implementation of VAT;